SHRI TARUN GOGOI: Sir, as regards tomato, it is not only in Madhya Pradesh but also in every State and even in my own State. I have already said that only slightly over one per cent is processed. The Ministry has started a scheme in order to provide assistance to the tribal areas. We provide grants upto 75 per cent to the tribal areas, North-East region and 50 per cent to the co-operative societies of other areas.

SHRI AJIT P. K. JOGI: Sir, my supplementary was regarding the additional incentives provided in the tribal areas. Are you going to give some additional incentives? That was my supplementary.

SHRIMATI MIRA DAS: Sir, Honourable Finanne Minister in his Budge Speech has shown concern for the unprecendented economic crisis in the country. Sir, at the same time he talks of rapid employment generation, particularly in the rural areas. Food Processing industry is one area which can provide employment to millions in the rural areas. My request to the Minister is, whether he will try to get support or financial help from NABARD as NABARD is helping in rural development, to help weavers and other sectors also. Will he get such type of help from the NABARD so that the real dream of our Finance Minister can be fulfilled in this way?

SHRI TARUN GOGOI: This is the one of the industries which can generate large number of employment opportunities in the rural areas and benefit the farmers. In fact, NABARD can provide assistance for the Food Processing Industry to set up cold chains and some other infrasructural facilities.

Increase in the Import btll ofc crude oil and petroleum products

*126. DR. NAUNIHAL SINGH: Will the Minister of PTEROLEUM AND NATURAL GAS be pleased to state·

(a) whether it is a fact that the Crude Oil and Petroleum Products import bill is estimated to touch $7.5 billions by the terminal year of the Eighth Five Year Plan;

(b) whether it is also a fact that by the turn of the century, the import bill will double to $14 bilions; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. *SATISH SHARMA*): *(a) to (c)*: A Statement is laid on the Table of the House.

Statement

(a) to (c) The value of net import was 5.587 and 5.07 billion dollars in 1992-93 and 1993-94 respectively and it is estimated at 5.44 billion dollars in the current year.

Government have initiated a number of steps to increase indigenous production of crude oil. These include development of new oil and gas fields and additional development of some existing fields. Besides, promoting conservation of petroleum products in various fields, efforts are being made to increase the refining capacity by taking up expansion of existing refineries and by setting up of new grass-roots refineries in the public sector, joint sector and private sector in order to reduce expenditure on imports of petroleum products.

Therefore, it is extremely difficult presently to predict the impact of various factors like increase in demand of petroleum products, materialtsation of indigenous crude production plan and prices of crude oil and products in the international market, which affect the import bill.

DR. NAUNIHAL SINGH: Honourable Chairman, I draw your kind attention to the last para of the reply given by the Honourable Minister of Petroleum and Natural Gas and you will find that the reply given by the Honourable Minister is vague and evasive. It shows a lack of advance planning of the Eighth Plan Period which is a must, at least in terms of quantity, if not in terms of price, because the price may vacillate in terms of the international market. However, Sir, may I ask the Honourable Minister of Petroleum and Natural Gas as to what will be his assumptions of the demand level of crude oil and petroleum products and their imports during the Eighth Plan Period? In this context, please highlight the policy failures concerning exploration of crude production and progress of on-going products supposed to be completed by the end of the Eighth Plan Period.

CAP. SATISH SHARMA: Sir, I agree with the Honourable Member that nobody can project the price of crude price because that is dictated by many factors. The other point is about quantity projection. I would like to bring to the knowledge of the Honourable Member that in the last few years, recent trends have shown that the rate of growth was only three per cent. But now we see that the rate of growth for most of the products is in the range of 7 to 8 per cent. There is such a wide fluctuation. It is not only the price but also the quantity the Ministry is working out, analysing the changes of the growth of production. That has been falling. That is the reason why the answer has not been specific. This is being analysed by the Ministry. Regarding the second part of the question, the Ministry has taken many bold initiatives. In that direction, I fully share the Hon. Member's concern that in spite of the oil production going up which was 27 million tonnes, it was the lowest. But this year it has gone up to 32 million tonnes and next year it will be 37 million tonnes and a year later it wil be 44 million tonnes. So, we do have an increase in our oil production which is very much under way. But the matter of great concern to me and to the country is that the reserve acquisition has also got to go up. That means India must find new oil. That is the key issue. To increase reserve accretion, to find new oil wells in the country, we have taken many steps for exploration and as much exploration activity as possible in the country. There is one step which is under way right now, by which notice inviting tenders globally has been issued. For the first time, the ONGC and the OIL, the two national oil companies on stream are floating joint ventures, whereby they will invest two billion dollars in the next three years as their equity, and they are trying to elicit equal amount from multi-national companies so that the whole programme becomes a four billion dollar programme, to be spent only on exploration, to find new oil.

DR. NAUNIHAL SINGH: Sir, I do not feel satisfied with the answer. There is a working group which projects the demand. I hope the hon. Minister is aware of that. And it is just a blind reply given. I am not satisfied at all. Also, part (1) of the first supplementary is not well answered because the Planning Commission is chasing this Department about the policy failures, and they have not been able to reply to the Planning Commission about it. There is so much going on, and the Planning Commission is not satisfied. So, I don't think I am satisfied with the answer given. Anyway, Sir, if you want me to put the second supplementary, I am prepared. But, I am not satisfied.

MR. CHAIRMAN: If you wish to put another supplementary...

CAPT. SATISH SHARMA: With your permission, Sir, let me give him the figures of the demand, the consumption projection which are provi-

sional. For the current year, they are 64.3 million tonnes. In 1995-96, the projection is 69.1 million tonnes. In 1996-97, the projection is 79.4 million tonnes. But these are provisional.

MR. CHAIRMAN: You put your second supplementary now.

DR. NAUNIHAL SINGH: Sir, I want to know whether it is true that the Department of Petroleum is flouting all the norms by failing to attract private investment in unproven reserve blocks and giving proven fields to the private investors on a platter, thereby losing profit-making fields. Is it true?

CAP. SATISH SHARMA: Sir, I do not agree with the hon. Member. That is not the intention of the Government.

DR. NAUNIHAL SINGH: What is the fact?

CAPT. SATISH SHARMA: The Government had floated the first round and then later the second round of discovered oilfields programme, where some fields were given for joint production, where the ONGC and a foreign private company were involved. The position at that time was that India was facing a very serious foreign exchange crunch. The funds were limited. The oil production was going down. We did not have the kind of funds which we required, and the response to exploration was very poor. Therefore, during that period, it was decided that private capital should be brought in in joint production in some of the fields which were given in the first round of discovered oilfields programme, where the response is very good. Then for the second round of discovered oilfields programme also, we have got a very good response. It is under evaluation right now. But we are looking at various measures for that second round programme to be even more beneficial overall. I mean, the idea is, we are evaluating whether, through our joint venture companies being set up for exploration, some of these blocks can be given to those companies who also give their equity in other blocks, in other parts of the world so that, again, at the end of the day, India has a double equity through the same field. That is the programme which is being evaluated, which will give us, I hope and I am confident, even better results. The actual equity of India in the global oil will increase. That is the vision. Today, because of shortage of petroleum, because of increasing import bill and increasing consumption, the whole strategy is that India has to find new oil and gas within India and also outside India. That means India's equity in the global oil market has to be assured so that security of supply is assured. That is the whole strategy of the second round of discovered oilfields programme. We are evaluating whether it is possible.

MR. CHAIRMAN: Shri Dipankar Mukherjee.

DR. NAUNIHAL SINGH: Mr. Chairman, Sir,....

MR. CHAIRMAN: Please sit down. I had given you enough time.

DR. NAUNIHAL SINGH: The Minister has not at all answered my question. It was a very specific question which I had asked.

MR. CHAIRMAN: This is not a detailed discussion. Please sit down.

DR. NAUNIHAL SINGH: I need your protection, Sir. He has not answered my question.

MR. CHAIRMAN: Shri Dipankar, Muhkherjee, please.

SHRI DIPANKAR MUKHERJEE: Mr. Chairman, Sir, I fully agree with Dr. Saheb that this is not at all an answer. The basic question is one of production vis-a-vis demand. What is the position in this regard? By which time are we

going to bridge the gap between the demand and supply? The hon. Minister has not given specific projections on that, so far as the production is concerned. In relation to production, we are interested in knowing about the progress of exploration of oilfields. I would like to know as to where you have reached so far as the question of exploration of oilfields and proven reserves is concerned. How many oilfields are yet to be explored? The question of exploitation comes only after the exploration. In this regard, can the hon. Minister give an assurance that so far as the proven oilfields are concerned, so far as the oilfields which have been explored indigenously are concerned, they would be given to the Indian companies for exploitation? If so, what is the demand-supply gap?

Only after this exploration, the question of exploration of unproven oilfields come for which the Minister is talking about joint ventures. We are not interested in the question of joint ventures. We are interested in knowing about bridging the demand-supply gap. What is the extent of exploration achieved till now and how much you are going to explore further?

CAPT. SATISH SHARMA: Sir, let me repeat what I had said so that there is no confusion on this issue and the position is clarified. I have just now given the figures in respect of demand-projection up to the year 1996-97 where I had said that the projected demand in 1996-97 would be 79.4 million tonnes.

SHRI DIPANKAR MUKHERJEE: What is the production?

CAPT. SATISH SHARMA: I had said that the demand in 1996-97 would be 79.4 million tonnes. I had also said that our production was going up. From 27 million tonnes, it has gone up to 32 million tonnes; next year, it would go up to 37 million tonnes and we hope that by 1996-97, the production would be crossing the figure of 44 million tonnes Let me repeat that the production would be going up from just 27 millon tonnes to over 44 million tonnes by 1996-97. The hon. Member should try to understand what I am talking about. The second question which he had asked...

SHRI DIPANKAR MUKHERJEE: I understand, but he should also understand the point I had made.

MR. CHAIRMAN: Mr. Mukherjee, the Minister has given you the figures. You can work it out.

SHRI DIPANKAR MUKHERJEE: Sir, the question is: How is he going to fill this gap? The gap between the demand and supply is increasing. How is he going to make ths gap up? He should answer that question.

CAPT. SATISH SHARMA: Sir, the other part of his question was about the demand-supply gap. I totally share the Member's concern. This is my concern as well and the concern of the whole country. How do we bridge this gap? We are planning to increase the production. We are looking at the growth in demand. The demand is also increasing because the position of G.D.P. is getting brighter and the industrial activity is getting brighter. As a result of this increasing demand, the pressure on production would be higher and higher. It is a matter of concern. That is why I had mentioned this. Let me repeat what I had mentioned. I plan to spend two billion dollars in the next three years and I am trying to get an additional two billion dollars from outside, to make up a four-billion-dollar programme in the next three years so that we could find more oil and gas which would help us in bridging this gap.

श्री सुन्दर सिंह भंडारी : सभापति जी, मंत्री महोदय ने कुछ बड़े आंकड़े दिए हैं। मैं उन्हें याद दिलाना चाहता हूं कि उन्हीं की मिनिस्ट्री ने पब्लिक सेक्टर मैनेजर्स का एक ग्रुप एपॉइंट किया था और उनकी

रिपोर्ट भी मिली है और उनका यह कहना है कि आज अगर हम 42 परसेंट पूरा कर पाते हैं तो 2010 तक हमारा प्रोडक्शन बढ़ने के बाद भी हम केवल 27 परसेंट पूर्ति कर पाएंगे । इसके बाद बहुत बड़ी मात्रा में हमें इम्पोर्टेड ऑयल पर निर्भर करना पड़ेगा और उस समय, जैसा आपने खुद माना है कि कीमतों का कहा नहीं जा सकता कि क्या होगा और कितना घाटा उठाना पड़ेगा । आप नए ऐक्स्प्लोरेशन कर रहे हैं, मेरा यह सवाल सीधा है कि जिन कुंओं से या जिन स्रोतों से अभी आप ऑयल निकाल रहे हैं, क्या इस बात की भी जांच की जा रही है कि इनमें और अधिक प्रोडक्शन कैपेसिटी है या नहीं और उसके लिए आप क्या योजना बना रहे हैं ?

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Foreign investment in food processing sector

*121. SHRI V. HANUMANTHA RAO: Will the Minister of FOOD PROCESSCESSING INDUSTRIES be pleased to state:

(a) whether various foreign investors have come forward to invest in the food processing sector in non-urban area;

(b) if so, the details of such proposals; and

(c) by when the foreign investment offered wuld actually reach the non-urban areas?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI TARUN GOGOI): (a) to (c) During the post-liberalisation period, foreign investment of Rs. 2528 crores have been approved in the various sectors of food processing. Out of this, an investment of Rs. 2268 crores is for non-urban areas. Projects envisaging foreign investment of Rs. 522 crores have already been implemented in the non-urban areas. Normally, it takes about 2-3 years for implementation of the project.

Completion of Jakhapora-Bansapani rail line

*122. SHRI RAHASBIHARI BARIK: Will the Minister of RAILWAYS be pleased to state:

(a) the progress made in the completion of construction work of the main project of Jakhapora-Bansapani line in Orissa from the side of Bansapani and also from the side of Daitori, and

(b) the details of fund provision proposed to be made for completion of the remaining portion of that project?

THE MINISTER OF RAILWAYS (SHRI C. K. JAFFER SHARIEF): (a) Construction of Jakhapura-Daitari-Banspani rail line was approved in 1974-75 and Phase-I from Jakhapura to Daitari (33 kms.) was taken up and completed in 1981. However, after opening Jakhapura-Daitari section, the anticipated traffic of iron ore from Daitari Mines did not materialise, consequently and also due to severe constraint of resources, construction of balance portion from Daitari to Banspani could not be taken up and the same was deleted from 1988-89 Works Programme.

With the coming of the new steel plant in the area, the work was again included in the Budget for 1992-93 as an out of turn work.

The progress as on date from Banspani side is a follows:—

Banspani to Joruri (10 kms): 35 per cent completed. This section will be opened by June 1996. From Joruri to km. 123, works are in progress at various stages. The over all progress is about 10 per cent. From Daitari end, survey for the realignment as recommended by the Ministry of Environment and Forests has been completed and land demarcation at site is in progress.